

Robert K. Scheinbaum, Esq.  
CONNELL FOLEY LLP  
One Newark Center, 19th Floor  
1085 Raymond Boulevard  
Newark, New Jersey 07102  
Tel: 973-436-5800  
Fax: 973-436-5801  
Attorneys for M. Holtzman Realty, LLC  
successor in interest to Jonathan Craig Corp.

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In Re

SEARS HOLDING CORPORATION, *et al.*,

Debtors,

Chapter 11

Case No. 18-23538 (RDD)

(Jointly Administered)

**LIMITED OBJECTION OF M. HOLTZMAN REALTY, LLC, SUCCESSOR IN  
INTEREST TO JONATHAN CRAIG CORP., TO  
DEBTORS' NOTICE OF ASSUMPTION AND ASSIGNMENT  
OF ADDITIONAL DESIGNATABLE LEASES,  
FILED APRIL 19, 2019 (DOCKET NO. 3298)**

M. Holtzman Realty, LLC ("Holtzman") successor in interest to Jonathan Craig Corp., by and through its undersigned counsel, respectfully submits this Limited Objection to Debtors' Notice of Assumption and Assignment of Additional Designatable Leases, filed April 19, 2019 (Docket No. 3298 herein) (the "Motion"), and states as follows:

1. Pursuant to a certain Deed dated August 20, 1985 between Jonathan Craig Corp. as "Grantor" and Levcom Wall Plaza Associates, L.P. ("Levcom") as "Grantee", the Grantor

conveyed property identified as Lots 4, 5, 6, 9, and 10 of Block 88 on the Wall Township Tax Map to Levcom.

2. The aforesaid conveyance was made subject to a Declaration of Easements and Restrictions, effective August 1, 1985 and made by Jonathan Craig Corp., and recorded on August 20, 1985 in Book 4587, Pages 893 - 904 at the Monmouth County Clerk's office (the "DER"). A true copy of the DER is attached hereto as Exhibit A.

3. The DER recites that Jonathan Craig Corp. owned premises described as lots 4, 5, 6, 9, and 10 of Lot 88, and Lot 7 of Block 88, on Wall Township Tax Map, Monmouth County, New Jersey (the "Premises") and that, in order to facilitate separate development or conveyance of the Premises in phases and to enhance the value of each separate parcel of the Premises, the owner created and established the easements, rights, obligations and prerogatives set forth in the DER. *See* Exh. A, p. 893 (Recitals).

4. The DER provides that the portion of the Premises consisting of Lots 4, 5, 6, 9, and 10 in Block 88 "shall not be used as a supermarket, nor for the sale of wine, beer or other alcoholic beverages for off-premises consumption as long as a supermarket or liquor store is located on contiguous premises upon which is now located a ShopRite Shopping Center and Jonathan Craig Liquor[,]" and the DER further provides that no pharmacist or druggist be employed or engaged in any business, and no prescription drugs shall be sold on any portion of the Premises (collectively, the "Existing Restrictions"). *See* Exh. A, p. 902.

5. Currently, a ShopRite supermarket doing business under the name ShopRite of Belmar is located on Lot 7 in Block 88, also known as 1801 Route 35 in Wall Township, Monmouth County, New Jersey, and a liquor store operated by Jonathan Ron, Inc. and doing business under the name Jonathan Ron Liquors is also located at 1801 Route 35 in Wall Township.

6. Upon information and belief, a Kmart store (“Kmart”) is located on Lot 4 in Block 88, also known as 1825 Route 35 in Wall Township, Monmouth County, New Jersey.

7. Sears Holding Corporation and its debtor affiliates including, upon information and belief, Kmart Corporation, filed the within Jointly Administered Chapter 11 case on or around October 15, 2018.

8. On or around April 19, 2019, the Debtors filed a Notice of Assumption and Assignment of Additional Designatable Leases (Docket No. 3298 herein) (the “Motion”). The schedule attached as Exhibit 1 to the Motion lists, at Row 433, Debtors’ store number 7602 located at 1825 Highway 35 in Wall, New Jersey. Exhibit 1 of the Motion indicates that the Debtors’ counter-parties to the lease are David Mandelbaum and Peter Levine who, upon information and belief, are affiliated with Levcom, the record owner of Lot 4 in Block 88. Exhibit 1 of the Motion indicates that the Assignee of the lease for this location is Transform Operating Stores.

9. The Existing Restrictions are binding upon the record owner of Lots 4, 5, 6, 9, and 10 in Block 88, as well as upon all others who take possession of such Lots through lease, assignment or otherwise.

10. Accordingly, Holtzman files this Limited Objection to provide notice of the Existing Restrictions and request that any order by this Bankruptcy Court authorizing the assumption and/or assignment of the lease for the Kmart store located in Wall Township be made subject to the Existing Restrictions.

### **CONCLUSION**

Based on the above, Holtzman respectfully requests that any order by this Bankruptcy Court authorizing the assumption and/or assignment of the lease for the Kmart store located in Wall Township be made subject to the Existing Restrictions set forth in the Declaration of Easements and Restrictions attached hereto as Exhibit A.

<p>.</p> <p>Dated: May 3, 2019</p>	<p>Respectfully submitted,</p> <p><u>/s/ Robert Scheinbaum</u></p> <p>Robert K. Scheinbaum, Esq. CONNELL FOLEY LLP Counsel for M. Holtzman Realty, LLC, successor in interest to Jonathan Craig Corp.</p>
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